

HOUSE BILL 1936
By Jones U

AN ACT to amend Tennessee Code Annotated, Section 57-3-204; Section 57-3-404(h) and Section 57-3-406(f), to authorize a retailer of alcoholic beverages to conduct consumer educational sampling and tastings on the premises of a retailer.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 57-3-404, is amended by deleting subsection (h) in its entirety and substituting instead the following:

(h) No alcoholic beverages shall be sold for consumption on the premises of the seller except as provided in chapter 4 of this title and as specifically excepted herein.

Notwithstanding the prohibition herein contained, an entity holding a license issued pursuant to § 57-3-204 may offer without charge or cost samples of alcoholic beverages and spirits to consumers on its licensed premises subject to the following conditions:

(1) A licensee seeking to offer such samples shall notify the commission prior to the tasting event, in the same time and manner as required by commission rules for a retail sponsored tasting at another location.

(2) The samples provided to consumers shall be subject to the following limitations:

(A) In the case of a distilled spirit, a single sample size shall not exceed one-half (1/2) ounce in amount;

(B) In the case of wine, a single sample size shall not exceed one and one-half (1 ½) ounce in amount.

(C) The total number of sample servings provided to a customer during a tasting event shall not exceed four (4).

(3) Only employees holding permits issued pursuant to §§ 57-3-204(c) and 57-3-203(d), or the designated owner or manager of the licensee where such individual so satisfied the requirements of § 57-3-704(5), may participate directly in the opening, pouring, or offering of samples to consumers.

(4) Nothing in this title shall restrict any employee holding a permit issued pursuant to §§ 57-3-204(c) or 57-3-203(d) from also holding a permit issued pursuant to § 57-3-701, et seq. Nothing herein shall authorize an employee holding a permit pursuant to §57-3-203(d) to be employed by any retailer licensed under § 57-3-204 or § 57-4-101 except for the sole purpose of participating in a tasting under this subsection.

(5) The prohibited acts related to retail sales as set forth in subsections (c), (d) and (e) of § 57-3-406, shall also be applicable to the offering of samples at a tasting event conducted pursuant to this subsection.

(6) A licensee shall be authorized under this subsection to conduct no more than one (1) tasting event in a calendar day.

(7) In order to conduct a tasting event authorized under this subsection, the licensee must be located in a jurisdiction that has authorized the sale of alcoholic beverages for consumption on the premises pursuant to § 57-4-103.

(8) Manufacturer and non-resident permit holders licensed under §§ 57-2-101, et seq., 57-3-202, or 57-3-601, et. seq., may provide products to be offered for sampling or tasting only through its designated wholesaler, licensed pursuant to § 57-3-203.

(9) Employees of a manufacturer, distiller, winery, or non-resident sellers permit holder may participate in a sampling or tasting under this section only if an

employee or designated representative of the wholesaler authorized to distribute the product or products being distributed is also present.

SECTION 2. Tennessee Code Annotated, Section 57-3-406(f), is amended by deleting the period (.) at the end of that section and inserting the following:

except as may be permitted pursuant to §57-3-404(h).

SECTION 3. Tennessee Code Annotated, Section 57-3-204(a), is amended by inserting after the words “and not for consumption on the premises” where they appear in the first sentence of that section the following words:

except such on-premises consumption as may be permitted under §57-3-404(h).

SECTION 4. This act shall have no application to a winery acting pursuant to the “Grape and Wine Law,” codified at §57-3-207.

SECTION 5. This act shall take effect July 1, 2005, the public welfare requiring it.